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School Bus Program Advisory 08-003

Using AB 923 Funds to Replace 1987-1993 Model Year Two-Stroke Engine School Buses

Last updated August 2008

This Policy Advisory is to inform the air districts of additional flexibility in replacing buses with Assembly Bill (AB) 923 funds. Currently, only 1986 and older model year buses are eligible for replacement using AB 923 funds. However, a number of 1987 and newer model year school buses are powered by two-stroke engines, typically Crown and Gillig buses, and no Level 3 retrofit devices have been ARB-verified for use on two-stroke engines. Since the primary goal of the Lower-Emission School Bus Program is to reduce school children's exposure to smog-forming and cancer-causing pollution by providing grants to upgrade our State's aging school bus fleet, ARB has determined that AB 923 funds can be used to replace 1987 and newer model year buses powered by a two-stroke engine.

AB 923 Funds

Funds provided through AB 923 (AB 923; Stats. 2004, Ch. 707) are a source of new school bus purchase funding. This legislation has provided a mechanism for air districts to increase the motor vehicle registration fee surcharge from four dollars to six dollars. The additional two dollar surcharge may be used by air districts for projects in four different clean air categories, including the "new purchase of school buses pursuant to the Lower-Emission School Bus Program adopted by the state board."¹

AB 923 requires that the purchase of school buses with AB 923 funds be pursuant to the 2008 Lower-Emission School Bus Program Guidelines. However, the Air Resources Board has provided air districts with additional flexibility when spending AB 923 funds including:

- The dates in the Lower-Emission School Bus Program Timetable do not apply to AB 923 funds.

¹ Assembly Bill 923, Firebaugh, Chapter 707, Statutes of 2004. Available at http://www.leginfo.ca.gov/pub/03-04/bill/asm/ab_0901-0950/ab_923_bill_20040923_chaptered.html.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

- Air districts report expenditures of AB 923 funds, including AB 923 funds spent pursuant to the 2008 Lower-Emission School Bus Program Guidelines, through a process established within the 2008 Carl Moyer Program Guidelines.
- On a case-by-case basis, an air district may use AB 923 funding to replace a school bus that has a CHP safety certification (CHP form 292) that has lapsed in the past. In this instance, the bus must have a current CHP safety certification (CHP form 292), and the air district must make the determination that the school bus is being used regularly by the school district.

Additional Exception for Spending AB 923 Funds to Purchase New School Buses

The ARB is adding another exception to this list in the 2008 Lower-Emission School Bus Program Guidelines. The additional exception for spending AB 923 funds to purchase a new school bus is as follows:

- An air district may use AB 923 funding to replace a 1987 or newer model year school bus powered by a two-stroke engine.